

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE OF PAGES 1 1	
2. AMENDMENT/MODIFICATION NO. One (1)		3. EFFECTIVE DATE 12/28/2001		4. REQUISITION/PURCHASE REQ. NO		5. PROJECT NO. <i>(If applicable)</i>
6. ISSUED BY Office of Contracts Management US Embassy/USAID West Bank & Gaza 71 Hayarkon St. Tel Aviv, Israel 63903		CODE		7. ADMINISTERED BY (IF OTHER THAN ITEM 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR <i>(No., Street, County, State, and Zip Code)</i> TO ALL OFFERORS				<input checked="" type="checkbox"/>		9A. AMENDMENT OF SOLICITATION NO. 294-2002-004
				<input type="checkbox"/>		9B. DATED December 4, 2001
						10A. MODIFICATION OF CONTRACT/ORDER NO.
						10B. DATED
CODE:		FACILITY CODE:				
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS						
<input checked="" type="checkbox"/> The above numbered, solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input checked="" type="checkbox"/> is extended <input type="checkbox"/> is not extended.						
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:						
(a) By completing Items 8 and 15, and returning <u>one (1)</u> copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers, FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.						
12. ACCOUNTING AND APPROPRIATION DATA <i>(If Required)</i>						
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO., AS DESCRIBED IN ITEM 14						
<input type="checkbox"/> A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: <i>(Specify Authority)</i> THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.						
<input type="checkbox"/> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES <i>(such as changes in paying office, appropriation date, etc.)</i> SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY						
<input type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:						
<input type="checkbox"/> D. OTHER <i>(Specify type of modification and authority)</i>						
E. IMPORTANT: Contractor <input type="checkbox"/> is NOT <input checked="" type="checkbox"/> is required to sign this document and return 1 copies to the issuing office.						
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible. The purpose of this amendment is to extend the closing date of this solicitation to February 14, 2002, provide additional information to Offerors and answer questions asked by interested parties. RFP No. 294-2002-004 is specifically modified as follows: 1. Cover Letter, "Due date" - delete " January 24, 2002" and replace with " February 14, 2002". 2. Section K.: - Under K.6 page 67- subsection (a) (1) NAICS code for this acquisition is: add the following number "813219" - Under K.6 page 67- subsection (a) (2) The small business size standard is: add the following "\$5,000,000.00" 3. See attachment for answers to questions regarding the solicitation. Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.						
15A. NAME AND TITLE OF SIGNER				16A. NAME AND TITLE OF CONTRACTING OFFICER		
15B. CONTRACTOR/OFFEROR <i>(Signature of person authorized to sign)</i>		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA <i>(Signature of Contracting Officer)</i>		16C. DATE SIGNED

INSTRUCTIONS

Instructions for items other than those that are self-explanatory, are as follows:

(a) Item 1 (Contract ID Code). Insert the contract type identification code that appears in the title block of the contract being modified.

Item 3 (Effective date)

- (1) For a solicitation amendment, change order, or administrative change, the effective date shall be the issue date of the amendment, change order, or administrative change.
- (2) For a supplemental agreement, the effective date shall be the date agreed to by the contracting parties.
- (3) For a modification issued as an initial or confirming notice of termination for the convenience of the Government, the effective date and the modification number of the confirming notice shall be the same as the effective date and modification number of the initial notice.
- (4) For a modification converting a termination for default to a termination for the convenience of the Government, the effective date shall be the same as the effective date of the termination for default.
- (5) For a modification confirming the contracting officer’s determination of the amount due in settlement of a contract termination, the effective date shall be the same as the effective date of the initial decision.

Item 6 (Issued By). Insert the name and address of the issuing office. If applicable, insert the appropriate issuing office code in the code block.

Item 8 (Name and Address of Contractor). For modifications to a contract or order, enter the contractor’s name, address, and code as shown in the original contract or order, unless changed by this or a previous modification.

Item 9. (Amendment of Solicitation No. – Dated) and 10. (Modification of Contract/Order No.-Dated). Check the appropriate box and in the corresponding blanks insert the Number and date of the original solicitation, contract, or order.

Item 12 (Accounting and Appropriation Date). When appropriate, indicate the impact of the modification on each affected accounting classification by inserting one of the following entries.

- (1) Accounting classification.....
Net Increase \$.....
- (2) Accounting classification
Net Decrease \$.....

NOTE: If there are changes to multiple accounting classifications that cannot be placed in block 12, insert an asterisk and the words “See continuation sheet.”

Item 13. Check the appropriate box to indicate the type of modification. Insert in the corresponding blank the authority under which the modification is issued. Check whether or not contractor must sign this document. (See FAR 43.103).

Item 14 (Description of Amendment/Modification).

(1) Organize amendments or modifications under the appropriate Uniform Contract Format (UCF) section headings from the applicable solicitation or contract. The UCF table of contents, however, shall not be set forth in this document.

(2) Indicate the impact of the modification on the overall total contract price by inserting one of the following entries:

- (i) Total contract price increased by \$.....
- (ii) Total contract price decreased by \$.....
- (iii) Total contract price unchanged.

(3) State reason for modification.

(4) When removing, reinstating, or adding funds, identify the contract items and accounting classifications.

(5) When the SF 30 is used to reflect a determination by the contracting officer of the amount due in settlement of a contract terminated for the convenience of the Government, the entry in Item 14 of the modification may be limited –

- (i) A reference to the letter determination; and
- (ii) A statement of the net amount determined to be due in settlement of the contract.

(6) Include subject matter or short title of solicitation/contract where feasible.

Item 16B. The contracting officer’s signature is not required on solicitation amendments. The contracting officer’s signature is normally affixed last on supplemental agreements.

ANSWERS TO QUESTIONS REGARDING SOLICITATION NO. 294-2002-004

QUESTION 1. The RFP does not specifically stipulate that part of the project involves capacity building for these NGOs. The question is should the proposal include a component that will strengthen the capacity of these NGOs to be able to manage grants and procure goods and services they need?

ANSWER 1. This program is a rapid response, demand driven Emergency Service Delivery activity, and therefore capacity building (including long or short term institutional strengthening) specifically is not in the direct purview of this contract. The issue of capacity building to local organizations is being addressed separately by other USAID/West Bank & Gaza funded programs. As such, capacity building should not be an explicit component of proposals submitted in response to this RFP.

QUESTION 2. One of the results (in fact, the first one) stipulates that there should be a "functioning, efficient... mechanism" for grants making. The question is can we assume that this "mechanism" could be embodied in a Palestinian NGO that either already has, or could develop, this capacity?

ANSWER 2. No local organization or sub-contractor is contemplated to make awards under this solicitation. The successful offeror and resultant prime contractor, a U.S Organization, must make all sub-awards under this activity.

QUESTION 3. Has USAID contemplated a range for the number of NGOs it would like to fund through this project, and how these NGOs should be distributed, or should the proposing organization develop criteria and propose the number of NGOs?

ANSWER 3. Given that this is intended to be a demand driven, reactive program, USAID has left the estimate of the number of awards up to the offeror organizations who will provide their best projection as to the number of Grants that may be awarded under this program relative to the level of funding available and subject to the scope, number and nature of services that need to be delivered.

QUESTION 4. The RFP does not stipulate what proportion \$10 million funding should be assumed to be allocated for 1) the local grants, and b) procurement of goods, supplies and equipment. Would USAID provide an estimate (or estimated range) for 1) the local grants, and b) procurement of good, supplies and equipment?

ANSWER 4. The estimated available level of funding has not been allocated internally. USAID is looking for the offeror to provide their best estimate regarding the proportional allocation of administrative costs (CLIN 001) relative to the disbursement of funds for grants (CLIN 002), within the total amount estimated amount to be available.

QUESTION 5. Can the proposing organization assume that, insofar as possible, procurement would be local? The RFP cites a source and origin code of 000 United States.

ANSWER 5. The only authorized geographic code for procurement under this contract is indeed 000. Local procurement maybe authorized where conditions meet the criteria and thresholds specified in the local procurement regulations in 22 CFR 228.

QUESTION 6. What is USAID's estimated proportion of the total contract amount to be used for CLIN 2 -- grants?

ANSWER 6. Please see the above response to Question No. 4

QUESTION 7. Can the contractor propose issuing Cooperative Agreements instead of grants in order to facilitate closer monitoring under "special award conditions" for certain local NGOs?

ANSWER 7. The response to this is categorically NO. USAID regulations prohibit Contractors to issue Cooperative Agreements under a GUC arrangement for sub-awards. Please refer to ADS 302.5.6(f) wherein it is specified that "Contractors may not be authorized to execute or administer cooperative agreements on USAID's behalf."

QUESTION 8. Does USAID currently have a set of procedures, criteria or organizational assessments that the mission has used in the past to determine the grantworthiness of local NGOs? If so, what are they and what NGOs have been determined by USAID to already be grantworthy?

ANSWER 8. The specific procedures, criteria and types or levels of assessment are information that should be contained in the offeror's grant making plan and grants manual. How an organization proposes to address these elements is part of the evaluation criteria. Be further advised that USAID applies the same standards to local organizations that it applies to its U.S. implementing partners in that organizations must be vetted and are subject to the appropriate level of due diligence prior to authorization of the disbursement of funds.

QUESTION 9. Have all of these NGO's been registered with USAID and if so what procedures were used in registering these NGO's? Can we assume that these same procedures would have to be followed by the contractor of all of those NGO's who have not been registered with USAID?

ANSWER 9. This Mission does not have an NGO registration process, however all NGOs are registered with the Palestinian Authority through the Ministry of Interior.

QUESTION 10. Can USAID provide a list of local NGOs (including amount and a description of the award) that have received grants under other USAID-funded projects?

ANSWER 10. USAID/West Bank & Gaza has not elected to disseminate this information under this RFP. However, there are currently several contracts and grants in place that provide sub-awards to local organizations that may be contacted individually for this information after award is made. Please be further advised that all potential sub-awards will be subject to individual scrutiny and vetting prior to receiving authorization to make the sub-award from USAID, regardless of whether they have received support in the past.

QUESTION 11. Can USAID provide copies of any grant manuals, assessment tools, needs assessments and grants databases that have been developed with USAID funds under existing projects?

ANSWER 11. Further to response number 8 above, USAID does not intend to provide this type of information at this stage of the solicitation process. To reiterate, offerors will be evaluated for providing detailed and clear procedures and systems proposed for grant awards, including demonstrated understanding of potential procurement needs and how these needs can be met. Proposals should also provide innovative solutions for providing grants to NGOs that are clearly capable of delivering identified assistance to targeted populations, but that are poorly capitalized and/or that have poor internal financial control systems.

QUESTION 12. In Section C Article III-Statement of Work under Grants Management, the solicitation states that there will be a "focus on small grants". Does small mean a range of say \$25,000 to \$100,000 or higher?

ANSWER 12. In accordance with ADS 303.5.15 GRANTS TO NON-U.S. ORGANIZATIONS, under Simplified Grants and Fixed Obligation Grants that are contemplated herein, it is specified that:

“The total of the grant does not exceed \$100,000.”

However, this threshold was recently changed to \$250,000.00 in accordance with Contract Information Bulletin (CIB) No. 01-17 dated September 13, 2001 where the following change was incorporated:

“The Simplified Grant and Fixed Obligation Grant Formats may be used for U.S. recipients for grants not in excess of \$100,000 and for non-U.S. recipients for grants not in excess of \$250,000.”

In order to view the full text of this CIB you may use the following site:

QUESTION 13. Under Section C--VI Reports--Article 4. Audits and Financial Reviews--Knowing the estimated number of grants that may be awarded under this contract comes into play as far as an overall impact on cost and preparing a proposal budget. Does the mission have an estimate on the number of grants that may be awarded?

ANSWER 13. Again, this will be driven by both demand and the offeror's organizational capability to award grants. Given the above response to question No. 12, the ceiling for individual grants is now \$250,000.00 in a one-year period. However, it is highly likely that the range of grants provided will vary considerably.

QUESTION 14. Under Section F--Deliverables or Performance --Sub-part F.4 Reports and Deliverables or Outputs--4. Audits and Financial Reviews— Having an idea as to the number of grantees to be audited or reviewed or those who might require pre-award management reviews and Technical Assistance on establishing systems that would make them "Grantworthy/Responsible" would be helpful in putting together the cost proposal. Does USAID have an estimate of this number?

ANSWER 14. USAID does not have such an estimate pursuant to the responses above. Please be advised that a formal audit is only required for those recipients that receive more than \$300,000 (total funds from all USG sources) per year. Such organizations must be A-133 audit compliant to qualify for receipt of additional USG funds. This threshold does not excuse the prime contractor from implementing some form of pre-award survey to satisfy minimum financial management requirements and should be built in to the grant-making process proposed.

QUESTION 15. Can the Mission provide a copy of the Local Compensation Plan?

ANSWER 15. Unfortunately, it is the U.S. Government policy at this post to not provide a copy of the Local Compensation plan to any organization. In order for us to consider any rate an allowable one under any Contract, the offering organization has to sufficiently justify to USAID that the proposed rates fall within the market range for the same position in the areas that the work will be performed.

QUESTION 16. The RFP states that the Contractor should accommodate a program for providing a number of simplified fixed obligation grants. Does this mean that the grant program is limited to only fixed obligation grants, or if

circumstances warrant, does the Contractor have the option to consider a simplified grant format, or a standard grant format for a non-US NGO?

ANSWER 16. The only grants that are authorized under this program are the simplified and fixed obligation grants for local NGOs.

QUESTION 17. The grant regulations for simplified fixed obligation grants state that the grantee cannot procure any item with a shelf life of over one year and cost over \$5,000. For these items, is it assumed that the Contractor can procure them and transfer title to the grantee?

ANSWER 17. That is a reasonable assumption.

QUESTION 18. Can the Contractor consider the idea of giving a grant to a Palestinian NGO, who is experienced with USAID funds, who will then disseminate subgrants to small community based groups?

ANSWER 18. Only the prime contractor will have the authority or ability to disburse funds. Please see the response to question No.2 above.

QUESTION 19. Are international NGOs eligible for grant funds or are only Palestinian NGOs eligible?

ANSWER 19. Local Palestinian NGOs are the only organizations that will be allowed to receive funds under this program.

QUESTION 20. Does the CO have an estimate of the cost for the anticipated CPA services that offerors should include in their cost proposal?

ANSWER 20. USAID does not have an estimate of the cost of these services. The offeror's estimate, based on the estimated number and level of grants proposed to be disbursed, should be included in CLIN 1.

QUESTION 21. It is noted in Section C, VI. Reports, B. Results and Deliverables, (b) 5. that 40% of the grants awarded shall be Gaza based. Does this 40% apply to the total amount of grant funds or to the total number of grants?

ANSWER 21. The intention is for 40% of the total number of grants awarded.

QUESTION 22. Can offerors attach a small fee to, or include a fee in, the estimated grant amount (CLIN 2). If not, can a fee related to the grants be included under CLIN 1?

ANSWER 22. The contractor may propose a reasonable fee under CLIN I if that is part of its organizational practice in a GUC arrangement and a sufficient basis is submitted to support that fee at the time of submission of the proposal.

QUESTION 23. Can Offerors send their complete proposal by e-mail with a follow-up set of hard copies?

ANSWER 23. Electronic versions of the proposal maybe addressed to Ms. Erin E. McKee the Contracting Officer for this program, with required signature pages transmitted by fax as specified in the RFP "Instructions to Offerors."

QUESTION 24. Section L.7 of the RFP ("Instructions for the Preparation of the Technical Proposal") requires that all proposals use "10 characters per inch." As this measurement refers to typewriters, can you kindly clarify whether you are referring to its equivalent computer font (i.e. 12-point font)?

ANSWER 24. The font-point equivalency is the offeror's call, as long as 10 characters per inch are not exceeded. Given that this requirement is a standard, the equivalent font to render the format required may be an 11-point font on certain word processing programs.

QUESTION 25. Are there specific citizenship requirements for key personnel (i.e., Chief of Party and Grants Manager)?

ANSWER 25. There are no specific citizenship requirements for key personnel.

QUESTION 26. What would be the permissible role of third country nationals (e.g., Jordanian or Palestinians)?

ANSWER 26. Palestinians are considered local personnel. Jordanians, if hired in the West Bank or Gaza are also considered local hire personnel. If recruited offshore (i.e., from Jordan or elsewhere) then they would be considered TCN personnel. Roles for TCN or CCN personnel are up to the offeror. USAID does not have any prohibitions regarding use of local or TCN staff.

QUESTION 27. Is the offeror required to identify the proposed CPA firm in the proposal (i.e., prior to award or after award)?

ANSWER 27. There are specific USAID/RIG approved CPA firms in the West Bank and Gaza that are acceptable for this activity. They are:

Ernst & Young
P.O. Box 1373,
Second Floor
Al-salam Bldg
Al-Ersal Street
Ramallah

Saba & Co. (Deloitte Touche & Tohmatsu)
Al-Salam Bldg
Broadcasting Street

P.O. Box 447
Ramallah

Talal Abu Ghazaleh & Co.
P.O. Box 921100
Amman 11192, Jordan

El Wafa & Co
Omar El Mukhtar, Opposite Bank of Palestine
Gaza City
Gaza

Allied Accountants Dajani & Co (Anderson Worldwide)
Post Office Street
Akel Bldg
P.O. Box 851
Remal, Gaza

PricewaterhouseCoopers
Sa'adi, Farrage, Orfaly
Beit El-Mal Towers A/201
El-Bireh
P.O. Box 1317
Ramallah

QUESTION 28. Is the contractor precluded from development and implementing an entirely web-based application process?

ANSWER 28. This may be prohibitive for several possible applicants. Therefore, an “entirely web-based application process” is not desirable. It may be one option for applicants under the contractor’s RFAs, but should not be the sole medium.

QUESTION 29. Is there a need to maintain non-English information in the grants management database? In other words, is it anticipated that grant applications will be submitted in Arabic?

ANSWER 29. All applications should required to be submitted in the English language.

QUESTION 30. Relative to the requirement that contractors "assure" that NGO, sub-contractor staff, grantees, etc., are not terrorists, this is a role that is normally carried out by sovereign governments and security agencies. Please clarify.

ANSWER 30. Currently, all prime contractors and grantees are required to provide USAID with certain information related to all of their sub-contractors and sub-grantees. This information required is listed on the forms circulated by the Mission and then provided to USAID for vetting with the USG Country Team at post, and is very basic. It includes the organization’s name and address, mandate, purpose and value of proposed sub-award, funding history, and the name date and place of birth for all key personnel. The successful offeror, in this activity, should propose a methodology for ensuring that this required information will be collected and incorporate the vetting procedure in it grants manual (i.e. the forms are part of the

application process and the time for review is built in to the sub-award process). The turnaround time, for planning purposes, is within fifteen (15) days. No USAID funds will be authorized for disbursement unless and until approval is received following the vetting process.